



MONTANA DEPARTMENT OF NATURAL RESOURCES AND
CONSERVATION

**TARGET COMMUNITY
BIOMASS PROJECT PLANNING GRANTS**
(Communities near Butte, Bozeman and Superior)

Eligible Project Areas <i>Within 50 air mile radius of the following Target Community:</i>	Grant Award Available
Butte	\$10,000
Bozeman	\$9,000
Superior	\$10,000

ANNOUNCEMENT AND REQUEST FOR PROPOSALS

RELEASE DATE: APRIL 18, 2012

SUBMISSION DEADLINE:
JUNE 7, 2012
5:00 PM

PROPOSALS MUST BE POST-MARKED OR EMAILED TO:

Montana Department of Natural Resources and Conservation
Forestry Division
Attention: Julie Kies
2705 Spurgin Rd. Missoula, MT 59804-3199
jkies@mt.gov

INTENT OF TARGET COMMUNITY BIOMASS PROJECT PLANNING GRANTS:

The intent of the Montana Department of Natural Resources and Conservation (hereinafter “DNRC”) Target Community Biomass Project Planning Grant is to support increased utilization of small diameter wood and woody biomass for diversification of forest products markets in targeted communities in Montana—specifically in the areas surrounding Butte, Bozeman and Superior. This is accomplished in part through providing financial assistance to entities planning for viable smallwood and/or forest biomass market development, utilization and expansion opportunities in these Target Communities. These grants are intended to provide incentive and support for working with qualified contractors to either determine the feasibility of, or move forward with planning, design or permitting of, biomass utilization projects.

Funding for this granting program has been made available through the USDA Forest Service State and Private Forestry Western Competitive Grant Program in an effort to support actively and sustainably managed forests and to maintain and enhance the values and economic benefits of trees and forests in targeted watersheds in Montana. The anticipated results of this grant program are: increased utilization of woody biomass and/or smallwood, reduced cost of forest management and fire hazard reduction treatments, a more diversified forest product market, improved forest conditions, enhanced economic development opportunities, and reduced air emissions from open slash-pile burning.

GENERAL GUIDELINES AND INSTRUCTIONS

ELIGIBLE APPLICANTS

Eligible applicants are businesses, public entities, state and local governments, institutions, tribal and non-profit entities that meet the geographic eligibility requirement.

Public and non-profit entities seeking funding assistance for preliminary feasibility assessments for integrating woody biomass energy systems are encouraged to submit an application form to DNRC’s Biomass Energy Pre-Feasibility Assessment Program, instead of this Target Community Project Planning Grant. Application and details can be found here:

<http://dnrc.mt.gov/forestry/Assistance/Biomass/PreFeasibility.asp>.

ELIGIBLE ACTIVITIES

Eligible Geographic Area of Project:

DNRC funding for these grants is limited to biomass utilization project activities that influence forest land management in the general vicinity (i.e 50 air miles) of the following 3 Target Communities: Butte, Bozeman or Superior, with specific funding amounts designated for each area. To be eligible for this grant program, projects must demonstrate biomass harvest, processing, and/or utilization of small diameter trees and/or woody biomass sourced from forest treatments in the general vicinity of, at least, one of the Target Communities of Butte, Bozeman or Superior. Eligible projects must demonstrate that:

1) the biomass user or processing facility is located within the general vicinity (i.e. 50 air miles) of one of the Target Communities, and/or 2) the source of biomass material is coming from forest treatments within the general vicinity (i.e. 50 air miles) of one of the Target Communities.

The eligible Target Project Areas and their respective funding amounts available for award are as follows:

Eligible Project Areas <i>Within 50 air mile radius of the following Target Community:</i>	Grant Award Available
Butte	\$10,000
Bozeman	\$9,000
Superior	\$10,000

Eligible Activities include:

1) Pre-Construction

Fund professional services necessary for project pre-construction work such as planning, design or permitting of small-diameter wood/woody biomass utilization and/or woody biomass energy projects. *Examples of eligible pre-construction activities may include, but are not limited to: hiring a professional engineering firm to draft plans and designs for installing a biomass utilization technology that has been previously determined to be technically and economically feasible, or paying for costs of permits required to construct or install a biomass technology.*

2) Feasibility Study

Fund professional services necessary to assess the technical and/or economic feasibility of a small diameter wood/woody biomass utilization and/or woody biomass energy project. *Examples of eligible activities may include, but are not limited to: hiring a professional consulting firm to conduct a market study for a particular smallwood or woody biomass product, hiring a professional engineer to conduct a preliminary or investment-grade assessment of activities such as installing a biomass energy system at a facility or integrating biomass processing/manufacturing capacity to existing infrastructure.*

Grant funds may not be used for equipment purchases or construction.

All work under this grant must be completed by January 15, 2013.

EVALUATION CRITERIA AND SELECTION PROCEDURES

Application packages must contain a technical narrative and supporting documentation that addresses the evaluation criteria described below. This is the information that the review team will use to evaluate and select projects for funding.

Proposals will be reviewed and prioritized for each separate Target Community Area. For example, all applications received for projects within the Butte Area will be competing for the maximum Butte Area award of up to \$10,000 along with other Butte Area projects, while projects within the Bozeman Area

will be competing for the maximum Bozeman Area award of up to \$9,000 along with other Bozeman Area projects.

Applications within each Target Community Area will be scored and prioritized based upon the following 5 criteria:

EVALUATION CRITERIA	MAXIMUM POINTS POSSIBLE
<i>TOTAL SCORE POSSIBLE</i>	<i>100</i>
1. Project Location and Influence Area	10
<ul style="list-style-type: none"> • Demonstrates that biomass harvest, processing, and/or utilization of small diameter trees and/or woody biomass will occur in the general vicinity of a Target Community. • Indicates how project activities will influence forest land management in the general vicinity of a Target Community. 	
2. Project Activity Category	10
<ul style="list-style-type: none"> • Proposed project activities meet the categories of either pre-construction or feasibility study. • Higher priority will be given to projects requesting funding assistance for pre-construction activities, and lesser priority to feasibility studies. 	
3. Statement of Need	20
<ul style="list-style-type: none"> • Summarizes the defining features and circumstances that make funding this project of special importance to the applicant at this time. • Describes what makes this particular project a good candidate for funding. • Describes activities previously undertaken by the facility toward the proposed project goals. • Indicates how implementation of the project will affect the applicant and the potential benefits to local forests and communities. 	
4. Technical Strength	50
<ul style="list-style-type: none"> • Demonstrates the technical and economic strength of the proposed project including: <ul style="list-style-type: none"> ○ Project design ○ Estimated volume of biomass material to be utilized ○ Reasonable time schedule of identified tasks and/or deliverables. ○ Financial feasibility including realistic budget and timeframe. ○ Strength of qualifications and capabilities of project managers, partners and/or consultants. <p>(Continued on next page)</p>	

5. Matching Funds	5-10
<ul style="list-style-type: none"> • Demonstrates ability to match this grant award with a minimum 50:50 match of federal to non-federal funds. (These grant awards are federal funds). • Additional points allowed if applicant demonstrates additional match or in-kind contributions above and beyond the 50:50 minimum. 	50:50 match—5 points 45:55 match—6 points 35:65 match—7 points 25:75 match—8 points 15:85 match—9 points 10:90 match—10 points

Proposals will be reviewed and prioritized collaboratively by a panel which will include, but is not limited to, representatives from the DNRC State Forester’s Office. The panel will evaluate each criterion independently, scoring each criterion response. If two or more projects receive equal scores, committee members will jointly discuss their evaluations and a consensus will be reached as to which projects receive funding.

SUBMISSION GUIDELINES

Proposal packages must contain information addressing the 5 evaluation criteria detailed above.

- ❑ Please read **the entire packet** before preparing and submitting your proposal. Be sure that you include all necessary information in the body of your proposal, not in cover letters or letters of support.
- ❑ Limit your grant application package to eight (8) single-sided pages, 12 pt font in addition to Attachment A: Grant Application Summary Cover Page.
- ❑ Additional addendums of pertinent information such as letters of support and financial spreadsheets may be included in addition to the 8 page limit. Pertinent letters of support will improve scoring.
- ❑ Grant applications may be submitted in one of three ways:
 1. **Emailed electronically.** Emailed applications must be received by June 7, 2012, 5:00 pm. Email full application to jkies@mt.gov with “Biomass Grant Application” in the subject line.
 2. **Mailed hard copy.** Mailed applications must be post-marked by June 7, 2012.
Mail to: DNRC- Forestry Division Office, Attention: Julie Kies, 2705 Spurgin Rd., Missoula MT 59804-3199.
 3. **Hand Delivered.** Hand-delivered hard copies must be received by June 7, 2012, 5:00 pm. Hand-deliver to: Receptionist, DNRC- Forestry Division Office, 2705 Spurgin Rd., Missoula MT, Building A.

If mailing or delivering hard copies, **three (3) copies** of the proposal must be submitted. Do not use special covers or binders. Hard copies must be easy to disassemble and scan electronically.

FUNDING GUIDELINES

Matching Cost-Share Requirement

This grant award requires a 50:50 match of federal to non-federal funds. The funding provided by DNRC for this grant program is derived from federal funds. The non-federal match provided by the grantee may include cash, in-kind goods or services, and/or donated contributions.

Grant Award

Upon award, the DNRC will provide grant payments on a cost-reimbursement basis. The DNRC reserves the right to offer a different grant amount than proposed by applicants. Funding amounts may vary due to the number and quality of applications received. The DNRC anticipates awarding up to the following totals to one or more projects in each Eligible Target Community Area:

Eligible Project Areas <i>Within 50 air mile radius of the following Target Community:</i>	Grant Award Available
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Bozeman	\$9,000
Superior	\$10,000

All awards from this grant program shall be considered final awards to the project(s) selected. If project costs increase beyond what was projected at the time of the grant award, the grantee is responsible for finding additional funding from sources outside this program.

LEGAL AUTHORITY

The DNRC Biomass Utilization Program and related activities, including this Request for Proposals, are authorized by Montana Code Annotated, sections 18-4-304 and 76-13-136.

Funding for the grants is provided by the United States Department of Agriculture-Forest Service Grants #08-DG-11010000-013, #10-DG-11010000-009, and #11-DG-11010000-010 through the State and Private Forestry Competitive Grant process and under the authority of the Cooperative Forestry Assistance Act of 1978, Public Law 95-313, as amended. The Catalog of Federal Domestic Assistance Number is 10.664. The commitment by DNRC to expend money, or to perform any work, is contingent upon the DNRC receiving funds under the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), as amended. No liability shall accrue to the DNRC or its officials in the event such funds are not appropriated or allotted as authorized under this legislation.

FUNDING NOTIFICATION AND GRANT AWARD

Successful applicants will be announced by July 2, 2012. DNRC anticipates signing agreements with successful applicants by mid-July 2012. Successful applicants must consult with the DNRC before incurring any grant-related expenses, as pre-award costs are not allowed without written approval from DNRC.

In accordance with Montana Code Annotated section 49-3-207, the grantee agrees that the hiring of persons to perform work on the project will be made on the basis of merit and qualifications and there

will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing work on the project.

CONTACTS

For further information in completing your grant application, contact:

Julie Kies
Biomass Utilization Program, DNRC
2705 Spurgin Road
Missoula, MT 59804-3199
Phone: (406) 542-4280
jkies@mt.gov

ATTACHMENT A

GRANT APPLICATION SUMMARY COVER PAGE

**Montana Department of Natural Resources and Conservation
Biomass Utilization Program**

Applicant Information

Name of Applicant: _____

Phone: _____

Mailing Address: _____

Email: _____

Federal Tax ID Number: _____

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Project Information

Project Title: _____

Project Location : _____

Project Description (Brief 2 sentences describing scope of proposed project):

Project is located within 50 air-mile radius of Target Community:

Check one:

Butte _____

Bozeman _____

Superior _____

Project Activity Category

Check all that apply:

Pre-Construction _____

Feasibility Study _____

.....
Grant Amount Requested \$ _____

Non-Federal Match Amount \$ _____